



GARY R. HERBERT  
Governor  
GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

### Inspection Report Minerals Regulatory Program April 17, 2012

Reviewed: 

<b>Mine Name:</b> Dragon Mine	<b>Permit Number:</b> M/023/0080
<b>Operator Name:</b> Applied Minerals	<b>Inspection Date:</b> 03/29/2012
<b>Inspector(s):</b> Wayne Western	<b>Time:</b> 3:00 – 3:30 pm
<b>Other Participants:</b>	<b>Mine Status:</b> ACT
<b>Weather Condition:</b> cool and over cast skies	<b>Last Inspection:</b> April 27, 2012
<b>Bond Renewal Date:</b> June 30, 2011	<b>Bond Amount:</b> \$140,000.00
<b>Surface Ownership:</b> Fee	<b>Mineral Ownership:</b> Fee
<b>Last Year of Production:</b>	<b>Acreage:</b>

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer,	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Bond/Bond Release	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Annual Fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Annual Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Re-vegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Purpose of Inspection:

This was a routine inspection.

#### Inspection Summary:

The permit is current.

The Permittee did not submit annual report for 2011.

The Permittee does take steps for limit access to the site. There is active underground mine/exploration. There are ventilation shafts

The site has a sediment pond that has not yet discharged. The pond is designed to keep runoff from the site from discharging off site.

There are old mine working on the property that discharge water. Some of the water has a red color that most likely comes from the iron in the rock.

There was limited activity on the site and only a small amount of product was shipped off site.

**Conclusions and Recommendations:**

The Division should continue to monitor the site.

**Directions to Site:**

At Silver City (abandoned town south of Mammoth) drive east up Dragon Canyon the road dead ends at the mine.

**Inspector's Signature**



WHW:

cc: (OPERATOR)

agencies

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Construction of new building



Sediment pond





Red colored water from old mine workings



Active portal